

Morgan County's process for adjusting values annually.

### **Residential Property**

In December of 2009 we changed from Manatron to Xsoft as our CAMA vendor. We started our conversion of data late December. As with all conversions there were quite a few value changes that were caused by either rounding or pricing differences. We found several areas where the Manatron program did not price according to the manual. In those areas we have had to make sure that the factors applied to any of the changed parcels resulted in the correct value needed. None of our land tables converted so all land tables had to be re-built in the INCama program. All parcels have been gone into a checked to make sure that any change in value is now a correct value. We are waiting on an opinion from the DLGF on the correct way to handle small values from Classified Forest and small parcels.

I would like to add that it has been a time consuming effort to get our database back to working order so we would know what needed changed through trending versus what needed fixed after the conversion. But, I would say that the INCama product was worth the effort!!!

We have again used both individual sales and combined information for the multiple parcel sale. A study of all foreclosed property remains ongoing to ensure that any influence those sales might be having on the current market is addressed. The foreclosed properties are still widely scattered throughout the county with only a few small areas where the bank sales are more frequent. These homes are selling quicker for the lower asking amounts but are still being resold within a few months for amounts comparable to non-foreclosed properties in those neighborhoods. Therefore, these sales are not having a large impact on the market at this time. The June 7, 2008 flood is an ongoing project. These homes were either bought by the State or by the County. These homes are just now in the process of being torn down. We have a great amount of properties that have value changes resulting from those removals. The remainder of homes affected by the flood are currently being remodeled. Quite a few of these flood damage homes sold damaged and have since been fixed up and some sold again.

There are several new subdivisions along with a moderate amount of splits within the county giving ample vacant land sales to establish land values.

As in past years, we have made a concentrated effort to review the grade and condition ratings of homes. With the conversion, we have looked at almost every home! Some more than once! We are using the local MLS as another review process. We also use the MLS to help verify all sales in the county. In addition to the multiple listings we are also using our appeals to locate any problem neighborhoods.

The County Assessor's office still conducts all field inspections for new construction and does all data entry.

### **Commercial /Industrial Property**

We have reviewed the new Marshall & Swift cost schedules in addition to all valid sales to determine the correct factors to apply to all commercial and industrial properties. Martinsville and Mooresville remain the largest concentration of commercial property. The remainder are mostly small businesses that do not often sell or if sold, do not continue to operate as a business. Golf Courses have been valued using the income approach. Most of our Courses

have appealed in the last two years. This made it a little easier to obtain the income information needed.

Appeals from all commercial properties along with any appraisal and income and expense information submitted with appeals have been reviewed as an additional source of value.

We have worked with rental property owners along with the MLS and sales information to arrive at correct GRM market rent information.

Industrial property sales seemed to have slowed down. Several areas were added together based on physical and geographical similarities to help get enough sales to conduct a ratio study. We have also extended back to 2007 for sales. Market study of industrial sales indicates no time adjustment is needed. We have used appraisals from recent appeals as a source of value as well as Marshall and Swift cost tables.

Along with our workbook we have again provided an Excel spreadsheet that has an explanation of any sales that were made "not valid" or parcels that were changed during the trending process. There is also a second copy of the workbook that has a percent of change along with reasons for change.

If you have any questions please contact us.

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